

# **FISCAL NOTE**

## **SB 3089 - HB 2948**

February 10, 2004

**SUMMARY OF BILL:** Allows the sale of Class C common fireworks within the city of East Ridge.

### **ESTIMATED FISCAL IMPACT:**

**Increase State Revenues - Exceeds \$125,000**  
**Increase State Expenditures - Not Significant**  
**Increase Local Govt. Revenues - Exceeds \$40,000**

Estimate assumes:

- any increase in state expenditures to issue additional fireworks permits will not be significant.
- any increase in state revenues from the collection of fireworks permit fees will not be significant.
- the average fireworks sales tax account had sales of \$164,360 in FY2003.
- approximately 11 permits will be issued based upon the size and location of the area.
- the total sales generated by these retailers is  $\$164,360 \times 11 = \$1,807,960$ .
- the increase in state revenue is calculated as  $\$1,807,960 \times 7\% = \$126,557$ .
- the increase in local revenue is calculated as  $\$1,807,960 \times 2.25\% = \$40,679$ .

### **CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director